

# EXHIBIT O

04.10.2023

*Full-service project financing*

## Project financing – Investment Strategy and Policy

This investment policy has been compiled to better serve all the stakeholders of Ethos Asset Management INC to allow them to understand how we decide our investment in project financing.

Ethos invests in project financing because:

- of its profitability;
- it is a more secure investment strategy than other types of investment like private equity or venture capital;
- it allows Ethos to have higher IRR than the client pays, creating value for both parties and an win-win transaction with maximization of return to Ethos and a low cost of capital to the client;
- **it's critical to Ethos who hedges/rebalances its asset allocation in trading.**

Ethos' projects have **focused mainly in these sectors:**

- Energy;
- Natural Resources;
- Infrastructure;
- Industrial;
- Housing;
- Heath;
- Agriculture;
- Wholesale and Retail Trade;
- Manufacturing,
- Transportation and Storage;
- Accommodation and Food Service Activities;
- Education

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These have been exclusively within the **private sector**.

Ethos performs investments that qualify **small caps (US\$ 10 Million up to US\$ 49 Million) and large caps (over US\$ 50 Million)**.

For such investments in project financing its resources are generated in trading and for diversification purposes 20 % of its assets are set aside for project financing.

Our Credit and Risk Department invests a great part of its day analysing Risk Components like Local, Sector, Financial, Security, Management, Environmental and Corporate and Social Responsibility.

RISK COMPONENT	CONSIDERATIONS	WEIGHTING/ITEM	WEIGHTING
<b>JURISDICTION</b>	1) Control of Corruption	2%	9%
	2) Government Effectiveness	1%	
	3) Political Stability and Absence of Violence / Terrorism	2%	
	4) Regulatory Quality	2%	
	5) Rule of Law	1%	
	6) Voice and Accountability	1%	
<b>SECTOR</b>	1) Sector Beta Evaluation	7%	7%
<b>FINANCIAL</b>	1) Activity Ratios		35%
	1.1) Cash Conversion	4%	
	2) Liquidity Ratios		
	2.1) Net Liquid Balance	5%	
	3) Profitability Ratios		
	3.1) Return on Investment	3%	
	4) Solvency Ratios		
	4.1) Asset Coverage	2,75%	
	4.2) Interest Coverage	2,75%	
	4.3) Debt to Equity	2,75%	
	4.4) Debt Service Coverage	2,75%	
	5) Valuation Ratios		
	5.1) Economic Value Added	3%	
	6) Financial Trends	4,5%	
	7) Quality of Reporting	4,5%	
<b>COLLATERAL</b>	1) Bank Rating	10%	25%
	2) Liquidity	10%	
	3) Proof of Funds' Quality	5%	
<b>MANAGEMENT</b>	1) Commitment	1,7%	8,5%
	2) Infrastructure and Support	1,7%	
	3) Internal Systems	1,7%	
	4) Skill and Tenure	1,7%	
	5) Succession Planning	1,7%	
<b>STRATEGIC ANALYSIS</b>	1) Competition	7%	7%
<b>CSR: CORPORATE SUSTAINABILITY AND RESPONSABILITY</b>	1) Environmental Responsibility	2,5%	8,5%
	2) Ethical and Philanthropic / Social Responsibility	3%	
	3) Economic / Governance Responsibility	2,5%	
	4) Sustainability Reporting	0,5%	



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Creating a culture of sustainability is mandatory to guarantee the Ethos' long-term viability, development and growth and we assume environmental, social and governance (ESG) best practices as a part of sound business management, preserving Ethos' reputation and integrity.

### PHILANTHROPIC FACILITY

Ethos has decided to allocate and set aside at least 8% of annual profits for PHILANTHROPIC FINANCING FACILITY (PFF) operations in future years.

The PFF began as a normal financing facility, but as the client performed its economic and social goals effectively, which could be evidenced and confirmed by an independent audit, Ethos would convert the financing into a non-repayable Grant. Clients applying for the PFF would have to undergo the same onboarding and approval process, meaning Ethos would analyse submitted projects in the same way as any other project. The facility would guarantee that only the "correct" use of the funds would qualify to convert the facility to a Grant.

### SUSTAINABILITY FACILITY

Being aware of its responsibility Ethos pledges to contribute its share to tackle the challenges by promoting projects committed to NET ZERO EMISSIONS PRODUCTION.

Within its Financing Facilities program, ETHOS will grant a 0,5% reduction of interest rates for project financing applications presenting accountability concepts safeguarding the NET ZERO EMISSION target and overall sustainability.

Furthermore, ETHOS will preferentially approve financing of projects openly and accountably being committed to sustainable rules of conduct.

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With this in mind, Ethos' Legal and Compliance analysis follows best practice banking procedures, including searches in most the reputable Sanctions, SCAM, ALM, PEP and Adverse Media Databases. Main regulatory entities are addressed as OFAC ; UN; EU and DFAT.

**Ethos does not invest in the following industries:**

- Mergers and Acquisitions;
- Drugs, medicines, medicinal cannabis and substances manufactured in the pharmaceutical industry;
- Gambling;
- Defense;
- The acquisition of weapons;
- Psychotropic, poisonous, narcotic substances and their derivatives;
- The financing of terrorism;
- Human trafficking;

In terms of **jurisdictions**, **Ethos has a worldwide presence** based on the fact that Ethos' model migrates the operational risk and macroeconomic risk of the investment to the financial system. At the same time USA, UK, Brazil and other emerging markets are at the top of our pipeline.

When Ethos approves a client in Credit and Risk and in Legal and Compliance the Agreement is signed.

The client needs to put in place a guarantee:

1. Pledge with the collateral being invested by the client in its own brokerage account, where the client extends the margin value / credit line of 65 % up to 78 % to Ethos that was provided by the bank to the Client against its asset allocation.

Such business model provides Ethos a margin value / credit line that can be traded or kept within the balance sheet.



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Such a structure allows the project to remunerate Ethos in two ways:

1. Directly via the interest rate that the client pays Ethos;
2. Indirectly via the margin value / credit line extended to Ethos who make earnings through trading or via its balance sheet position;

Ethos has an algorithm of trading securities (based in Holt Winters double exponential smoothing forecast method) with an intangible value that was developed by its CEO and Founder, Carlos Santos.

Through the algorithm of trading and using its own capital, Ethos buys and sells Fixed Income Assets and Securities through brokerage accounts in International Investment Banks.

### **Optimize Returns in A Mature Market**

Our Investment Strategy and Optimization module allows us to analyse all our investment options. It guides us through an informed process in selecting the best asset allocation for our portfolio's risk profile taking into account extreme events. Our financial models have been built with financial data over 100 years of combined academic research aimed at finding an improvement in the risk metrics commonly used.

### **Improve Performance with a 360° Overview**

Our powerful portfolio overview empowers us to fine-tune our investment strategy to make value-creating investments. It enables us to compute and analyse performance using a variety of methods: slice and dice P&L into several dimensions, compare our portfolio against individual or blended benchmarks, access all of our analytics libraries and take advantage of several other dynamic features.